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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/717,433	11/20/2000	Lou Leonardo	2043.023US1	9413
49845	7590	09/08/2008		
SCHWEGMAN, LUNDBERG & WOESSNER/EBAY P.O. BOX 2938 MINNEAPOLIS, MN 55402			EXAMINER KESACK, DANIEL	
			ART UNIT 3691	PAPER NUMBER
			NOTIFICATION DATE 09/08/2008	DELIVERY MODE ELECTRONIC

**Please find below and/or attached an Office communication concerning this application or proceeding.**

The time period for reply, if any, is set in the attached communication.

Notice of the Office communication was sent electronically on above-indicated "Notification Date" to the following e-mail address(es):

USPTO@SLWIP.COM

### Office Action Summary

**Application No.**

09/717,433

**Applicant(s)**

LEONARDO ET AL.

**Examiner**

Daniel Kesack

**Art Unit**

3691

**Period for Reply** -- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

**Status**

- 1) ☒ Responsive to communication(s) filed on 05 June 2008.
- 2a) ☒ This action is **FINAL**. 2b) ☐ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

**Disposition of Claims**

- 4) ☒ Claim(s) 1-20 and 22-38 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☐ Claim(s) 1-20 and 22-38 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

**Application Papers**

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on \_\_\_\_\_ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
- Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
- Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

**Priority under 35 U.S.C. § 119**

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some \* c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
  2. ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
  3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

\* See the attached detailed Office action for a list of the certified copies not received.

**Attachment(s)**

- 1) ☐ Notice of References Cited (PTO-892)
- 2) ☐ Notice of Draftperson's Patent Drawing Review (PTO-948)
- 3) ☐ Information Disclosure Statement(s) (PTO/SB/02)
- Paper No(s)/Mail Date \_\_\_\_\_
- 4) ☐ Interview Summary (PTO-413)
- Paper No(s)/Mail Date \_\_\_\_\_
- 5) ☐ Notice of Informal Patent Application
- 6) ☐ Other: \_\_\_\_\_

### **DETAILED ACTION**

1. This office action is in response to the amendment and remarks filed June 5, 2008. The amendment has been entered and Applicant's remarks have been fully considered. Claims 1-20, and 22-38 are currently pending. While the response alleges that no new claims are added, claims 35-38, currently listed as "previously presented" were not present in the previously submitted listing of claims. Examiner has treated claims 35-38 as newly added claims (Examiner notes the claims are identical to claims 31-34). The rejections are as stated below.

#### ***Claim Rejections - 35 USC § 103***

2. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

3. The factual inquiries set forth in *Graham v. John Deere Co.*, 383 U.S. 1, 148 USPQ 459 (1966), that are applied for establishing a background for determining obviousness under 35 U.S.C. 103(a) are summarized as follows:

1. Determining the scope and contents of the prior art.
2. Ascertaining the differences between the prior art and the claims at issue.
3. Resolving the level of ordinary skill in the pertinent art.

4. Considering objective evidence present in the application indicating obviousness or nonobviousness.
4. Claims 1, 4, 5, 7, 8, 11, 12, 14, 15, 18, 19, 24, 25, 27, and 28 remain rejected under 35 U.S.C. 103(a) as being unpatentable over Vaidyanathan et al, U.S. Patent Application Publication No. 2004/0059596, in view of Ojha et al., U.S. Patent No. 6,598,026, as cited in the previous Office Action.
5. Claims 2, 3, 6, 9, 10, 13, 16, 17, 20, 22, 23, 26, 29-38 remain rejected under 35 U.S.C. 103(a) as being unpatentable over Vaidyanathan and Ojha, and further in view of eBay's Website ([www.ebay.com](http://www.ebay.com)) on October 14, 1999, as viewed on the Wayback Machine ([www.archive.org](http://www.archive.org)), hereinafter "eBay", as cited in the previous Office Action.

Newly added claims 35-38 are identical to claims 31-34, respectively, and are rejected under the same rational, as disclosed in the previous Office Action.

### ***Response to Arguments***

6. Applicant's arguments filed June 5, 2008 have been fully considered but they are not persuasive.

Applicant argues that the prior art of record fails to teach "updating a record associated with a failed transaction that is not completed by the party, the updating the

record including incrementing a count of failed transactions not completed by the party" as required by claim 1. Examiner respectfully disagrees.

Examiner notes that one cannot show nonobviousness by attacking references individually where the rejections are based on combinations of references. See *In re Keller*, 642 F.2d 413, 208 USPQ 871 (CCPA 1981); *In re Merck & Co.*, 800 F.2d 1091, 231 USPQ 375 (Fed. Cir. 1986).

Applicant contends that Vaidyanathan fails to teach updating a record associated with a failed transaction that is not completed by a party. Indeed, as Applicant has pointed out, Vaidyanathan teaches storage of data on a meta-rating forum (a record) which relates to the participation of a party in the dispute resolution process (paragraph 11, lines 27-33). Vaidyanathan explicitly points out that the dispute is a dispute between a buyer and seller in an online marketplace (paragraph 12).

Vaidyanathan discloses that the dispute may arise when a party is dissatisfied with the online transaction previously entered into (paragraph 56). Vaidyanathan also points out that a party may be dissatisfied because the buyer does not pay a valid bill (paragraph 6). If a buyer and seller have an agreement for a transaction, and the buyer rejects the valid bill for the transaction, Examiner considers this to be a "failed transaction that is not completed by a party." If the buyer rejects the bill, the bill would not be paid, and the transaction would not be completed.

Therefore, since the data stored on the forum may be considered a record, and the record is associated with a dispute resolution process, and the dispute resolution process is due to a failed transaction not completed by the party, Vaidyanathan teaches updating a record associated with a failed transaction that is not completed by the party.

Furthermore, Applicant contends that Ojha fails to teach updating a record associated with a failed transaction". It appears that Applicant has given "transaction" an overly narrow definition, in which a transaction begins at a very specific point in time. If there is a special definition, Examiner respectfully requests that Applicant provide support in the specification which discloses the precise point in time when a transaction. Transaction is broadly defined as "any sale, assignment, lease, license, loan, advance, contribution, right, interest, however such transaction is effected, and whether or not the terms are formally documented". As such, a failed transaction occurs whenever a sale or transfer does not complete successfully.

The Ojha reference is relied upon for teaching incrementing a count of failed transactions. As cited in the previous Office Action, Ojha teaches a record for a buyer which includes a count of offers reneged by the buyer (column 3 lines 22-43). Applicant argues that because the bid is non-binding, this can not be considered a failed transaction. Examiner respectfully disagrees. Examiner contends that the buyer begins the transaction when he enters a bid for the item. Ojha discusses non-binding bidding (column 2 lines 11-24), disclosing that bids are non-binding because the price has not

been agreed upon by both parties. Therefore, Examiner disagrees that "a non-binding bid cannot constitute a transaction". By placing the bid, a buyer enters into a transaction. If the buyer then reneges on the bid, the transaction fails, and the transaction is not completed by the party. According to Ojha, as cited in the previous Office Action, a record is updated which indicates a count of this failed transaction. Therefore, the reference teaches the claimed limitation.

### ***Conclusion***

7. **THIS ACTION IS MADE FINAL.** Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for reply to this final action is set to expire THREE MONTHS from the mailing date of this action. In the event a first reply is filed within TWO MONTHS of the mailing date of this final action and the advisory action is not mailed until after the end of the THREE-MONTH shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than SIX MONTHS from the mailing date of this final action.

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Daniel Kesack whose telephone number is (571)272-5882. The examiner can normally be reached on M-F, 9:00am-5:00pm.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Alexander Kalinowski can be reached on 571-272-6771. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

Respectfully Submitted,

Daniel Kesack  
August 27, 2008  
/D. K./  
Examiner, Art Unit 3691

/Hani M. Kazimi/  
Primary Examiner, Art Unit 3691